

Title of report: 2025/26 Capital Investment in Existing Highway Infrastructure

Decision maker: Cabinet Member Roads and Regulatory Services

Report by: Head of Highways and Traffic

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To authorise the 2025/26 investment in the public realm existing assets and infrastructure following resolution of Council on 10 February 2023 to approve the proposed Capital Programme for 2023/24 through to 2026/27.

Recommendation(s)

That:

a) Capital investment is made during 2025/26 in the asset groups as set out below:

- i. Carriageways £1.0m**
- ii. Structures £1.0m**
- iii. Safety Enhancement Schemes £250k**
- iv. Drainage and Flood Risk £1.0m**
- v. Street Lighting and Traffic Signals £250k**
- vi. PRow Structures £250k**
- vii. Project Management £235k**

Total £3.985m

b) Delegated authority is given to the Corporate Director of Economy and Environment to take all operational decisions to deliver the infrastructure projects set out in recommendation (a).

Alternative options

1. Not to invest £3.985 m in the highway infrastructure asset during 2025/26 as set out above. This is not recommended as this would be contrary to the Council resolution on 10 February 2023.
2. Not to invest in the public realm infrastructure, or the elements that support the Council's Asset Management Plan, or to complement the Local Transport Plan funding. This is not recommended as this would result in accelerated deterioration of the county's assets.

Key considerations

3. The current Local Transport Plan grant from central government, which forms the basis of the Annual Plan of highway works, is not sufficient to manage and keep the network in a steady state.
4. At the 10 February 2023 meeting of Council, a four year programme of investment in highway infrastructure was approved as part of the Council's 2023 Capital Programme. At the 9 February 2024 meeting of Council, a revised capital investment budget and capital strategy for 2024/25 onwards was approved, which included £3.985m for investment in highway infrastructure for 2025/26.
5. The 2025/26 Capital Investment in Existing Highway Infrastructure is the third year of the programmed and the capital investment detailed in this report will complement the Local Transport Plan grant and ensure the network is managed and maintained for all users.

6. The programme of works will complement the Council's Public Realm Contract and will be in addition to the Department for Transport's Highways Maintenance and Integrated Transport Block Funding.
 - a. Investment in carriageways is based on the current network condition, with deterioration continuing to be forecast over the coming period. The rate of deterioration will accelerate if a planned programme of work is not progressed. The proposed programme will focus on delivering resurfacing schemes on C and Unclassified roads across the County, as drawn from the forward programme.
 - b. Investment in the structures asset group will support the Department for Transport's Local Transport Plan Highway Maintenance Block funding. The funding will help to slow further deterioration of structures which will contribute to avoiding the risk of a closure of a structure, which would bring associated disruption across the highway network.
 - c. The Safety Enhancement Schemes element builds on the success of previous years where local Town and Parish Councils have identified concerns relating to road safety on the highway network. This will see investment in sites where enhancements can be made to the road environment so as to address defined instances of inappropriate driving behaviour within local communities.
 - d. Drainage and Flood Risk remains an issue and investment in this asset group will help to address the concerns on the network which are beyond the affordability of this year's Annual Plan. The outcome of investing in drainage means that potential safety issues, network resilience and consequential road surface deterioration will be addressed across a broader part of the network.
 - e. Deterioration in the Street Lighting and Traffic Signals asset group continues to grow. Investment in this asset group will be used to replace components that have reached or are reaching the end of their life. Investment in these assets will ensure safety is maintained on the highway network.
 - f. The Public Rights of Way service continues to work through a backlog of structural assets requiring replacement. This investment will help to replace a number of assets, ensuring routes are open for the public and providing a safer alternative for residents and visitors alike to access the countryside and, in urban areas, providing an alternative car free route, encouraging active travel.

Community impact

7. The capital investment detailed in this report supports the county plan and ambitions for Herefordshire as follows:
 - a. Environment: protect and enhance our environment and keep Herefordshire a great place to live
 - b. Community: strengthen communities to ensure everyone lives well and safely together
 - c. Economy: support our economy which builds on the county's strengths and resources.

8. Both safety inspections and network condition surveys which have highlighted the continued deterioration of all of the referenced asset groups. If deterioration continues at the current rate then there is a risk of significant revenue requirement becoming necessary to undertake reactive works by the Council's service provider.
9. The recommendation will not have a direct impact on children in care.

Environmental Impact

10. The investment plan seeks to deliver the Council's environmental policy commitments and aligns to the following success measures in the County Plan.
 - d. Increase flood resilience in the network and address locations at risk including the highway network, properties and structures.
 - e. Reduce the Council's carbon emissions in reducing the need for reactive works and minimising disruption on the network, and choosing appropriate materials for their whole life benefits to reduce the impact on the carbon footprint.
 - f. Work in partnership with others to reduce county carbon emissions delivering an efficient network.
 - g. Improve the air quality within Herefordshire, minimising congestion and damage to property
 - h. Improve residents' access to green space in Herefordshire by improving safety and opening Public Rights of Way closed due to asset failures.
 - i. Increase the number of short distance trips being completed by sustainable modes of travel by ensuring that the network is safe with alternative options such as the PRow network being available.
11. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
12. The environmental impact of this proposal has been considered through the service specification and includes appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management.

Equality duty

13. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
14. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.
15. The selection of roads for investment will take account of the statutory demands for the local highway authority in addition to the highway network hierarchy. This approach is founded on the guidance set out in Well Managed Highway Infrastructure: A Code of Practice. When considering the highway network hierarchy in Herefordshire the presence of community, medical or educational facilities are considered as part of the usage consideration ensuring that highway corridors to these functions are afforded more priority. As a result, the selection of roads for investment as part of this decision is considered to have a positive impact on the protected characteristics of Age and Disability. The investment set out in this report is considered to have a neutral impact on the other protected characteristics.

Resource implications

16. Delivery of the capital investment will either be through the Council's own Highways and Public Realm Schemes Framework or through the Public Realm contract, adhering to the Council's Contract Procedure Rules and subject to approval from the Corporate Director of Economy and Environment as set out in recommendation (b).
17. The project will be managed by the Council's Project Management Office with the Interim Director for Infrastructure Delivery being responsible for delivery.
18. The funding detailed in this report is to be delivered in 2025/26 with focus on the following projects:
- a. Carriageways
 - b. Structures
 - c. Safety Enhancement Schemes
 - d. Drainage and Flood Risk
 - e. Street Lighting and Traffic Signals
 - f. PRow Structures
19. Unique project codes will be allocated to each element so that the corporate Project Manager assigned can monitor and review progress to enable reporting to the capital project board along with other relevant programme boards on each of the projects. The budget was approved at Full Council on 10 February 2023 for the 4 year programme, with the overall programme of £16.04m to be funded from £14.46m corporate borrowing and £1.58m grant, which has yet to be sourced.

20. There are no implications to revenue funding as any future maintenance is managed within the existing programme and budget, however, capital investment should ease the revenue budget reducing the need to undertake additional repairs over the whole life of the asset. The interest for borrowing was approved at Full Council from the corporate revenue budget during budget setting.

21. The capital cost of the project and the relevant funding stream is outlined in the following table:

Capital cost of project	2025/26	2026/27	2027/28	Future Years	Total
	£000	£000	£000	£000	£000
Carriageways	1,000				1,000
Structures	1,000				1,000
Safety Enhancement Schemes	250				250
Drainage and Flood Risk	1,000				1,000
Street Lighting and Traffic Signals	250				250
PRoW Structures	250				250
Project Management	235				235
TOTAL	3,985				3,985

Funding streams	2025/26	2026/27	2027/28	Future Years	Total
	£000	£000	£000	£000	£000
Corporate Funded Borrowing	3,985				3,985
TOTAL	3,985				3,985

Legal implications

22. The Full Council meeting on 9 February 2024 allocated £3.985 million for 2025/26 in respect of 'Highways Infrastructure Investment' as part of the Council's annual budget. This is year three of a four year investment programme.

23. This report recommends the executive decision required to use part of such funding allocation.

Risk management

24. The sustained investment will reduce the overall risk in highway safety, investing in key elements of the asset that address some of the challenges on the network.

25. The capital investment was approved at Full Council on 10 February 2023 and again approved at Full Council on 9 February 2024 securing the funding for the project.
26. The delivery of the project will be over the 12 month period, each element will have in year delivery targets reporting to the appropriate delivery and financial boards.
27. The Risks will be managed at service level reporting to the service risk register and escalated in accordance with the Risk management Plan.

Risk / opportunity	Mitigation
Demand /deterioration on the network significant and budget not sufficient.	Review with the overall annual and forward programme and deliver in line with the Council's priorities.
Environmental Issues / constraints restrict project delivery in year.	Review and re-profile as required.
Projects conflict with programmed and other funded works such as Levelling Up funding or S106 works	Opportunity to incorporate into the project, potential for savings and minimising impact on communities and economy of Herefordshire.
Deliverability due to rising costs and available resources.	The projects will be managed in line with the delivery of current council projects and contracts which will provide early sight of implications.

Consultees

28. As part of the revised consultation process for key decisions, a Political Group Consultation was undertaken on 8th November 2024. The following points were raised and discussed with Ward Members:
 - a. The ability to deliver investment in the Public Rights of Way network was discussed and it was explained that the team are able to use the Council's own delivery framework as well as the Public Realm partner contractors, Balfour Beatty.
 - b. A discussion was held around how roads, including Byways Open to All Traffic, are chosen for investment and how investment plans could be shared with Parish and Town Councils as part of the engagement process.
 - c. The desire to be able to publically share scheme lists, including drainage and carriageway investment, so that Ward Members can see identified programmes of work and to give assurance that concerns raised previously were being actioned.
 - d. Concerns around speeding were discussed and spend on the Safety Enhancement Schemes element was supported.
 - e. A discussion was held around the overall level of funding that is being provided and how it is being split across the different elements, how that relates to need on the network and what the levels of funding will provide.
 - f. To ensure that urban C and U roads are prioritised appropriately, given the volume of traffic that use them.

- g. A general discussion was held around the amount of capacity available within the team to deal with highway issues.

Appendices

None.

Background papers

None identified.

Report Reviewers Used for appraising this report:

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